

House Committee Activity: January 27 - 28, 2004

House Research Division:

Greg E. Adkins

Conservation and Environment
Transportation

Matt Barnes

Agriculture
Commerce

Paige Edwards

Judiciary

Lawrence Hall, Jr.

State and Local Government

Pam Mason

Education

Judy Narramore

Health and Human Resources

Shannon Romain

Children and Family Affairs
Consumer & Employee Affairs

Kristina Ryan

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Agriculture

Matt Barnes

The Agriculture Committee met Tuesday, January 27, with one bill on the calendar. **HB 2162** (McDaniel), which deletes unfair sales and trade practice requirements concerning frozen desserts, was rolled for two weeks. Chairman Davidson requested all bills needing to pass through the Agriculture Committee be put on notice.

Chairman Davidson then introduced ~~Commissioner Givens representing Tennessee as the only state to appear before the House Department Committee on Wednesday, January 28, 2004. He addressed the issue of mad cow disease, but such cattle will not be processed~~ Commissioner Givens pointed out one of the measures taken was the ban of "downer" cattle, or those animals that are unable to walk normally. He noted some cattle may be culled for mad cow disease, but such cattle will not be processed

of Tennessee, addressed the committee on mad cow disease. Commissioner Givens praised the U.S. Department of Agriculture and his own department in the handling of the matter that first broke on December 23, 2003. He said both staffs worked long hours over the holidays and instituted measures to ensure the food supply was safe. Dr. Wilson stressed the take-home message from the entire presentation was, in fact, that "OUR FOOD IS SAFE!"

Commissioner Givens pointed out one of the measures taken was the ban of "downer" cattle, or those animals that are unable to walk normally. He noted some cattle may be culled for mad cow disease, but such cattle will not be processed

anyway in the name of safety. Dr. Rawls regretfully mentioned that as a result of the ban, many farmers would have to do the deed at home with a firearm or other method. A major problem, besides the act itself, is the rendering of waste. If farmers dispose of waste in sinkholes, Dr. Rawls said such waste could end up in groundwater. He said a rendering operation is



desperately needed in East Tennessee and that an incinerator is an expensive option but one that needs to be considered.

Agriculture Commissioner Ken Givens addressed the Agriculture Committee on facts surrounding "mad cow disease."

Children & Family Affairs

Shannon Romain

The **Children and Family Affairs full committee** met on Tuesday afternoon to officially welcome Viola Miller, the newly appointed Commissioner of the Department of Children's Services. There were no bills on the calendar and the subcommittees did not meet this week.

Commerce

Matt Barnes

The Full Committee

The **Commerce Committee** held its first meeting of the 2004 session on Tuesday, January 27. Chairman Hargrove welcomed the members back and introduced the committee's newest member, Rep. Curry Todd, and interns Mandy Spears and Patrick Johnson. Rep. McKee gave a brief summary of Industrial Impact Subcommittee meetings held during the interim to review **HB 1246** (Chumney). This bill, as amended, requires group health insurance plans to include a provision that, upon the

death or divorce of the insured, offers continuation coverage to the surviving or divorced spouse and any dependents. The subcommittee also studied group insurance premium increases for small businesses having employees with serious illnesses.

Rep. McKee then introduced Commissioner Paula Flowers, Department of Commerce and Insurance, who gave an overview of the health insurance market in Tennessee. Commissioner Flowers started with what she called "the bad news." She broke the news that her department has sought a liquidation of the Tennessee Trucking Association's Self-Insurance Group Trust. If the Davidson County Chancery Court grants the liquidation, 53 trucking companies across the state will have to pay over \$7 million in workers' compensation losses the fund has accrued. The companies had disputed the amounts assessed against them to stay in the pool and stopped making payments. A court hearing is scheduled for Monday, February 5.

Commissioner Flowers said approximately 11 percent (620,000) of Tennesseans are on TennCare, leading her to believe, as a result, that many Tennesseans are covered by some form of insurance and thus do not need TennCare. However, because the United Health Foundation, in its 2003 Health Rankings, ranked Tennessee 46th out of all states on overall health quality, Commissioner Flowers stated the numbers do not currently translate into better health outcomes.

Regarding mandated benefits, which generally apply to insurance companies, HMOs and BlueCross/BlueShield and not those companies that self-insure, Commissioner Flowers noted the "patchwork" quality of the Tennessee Code. She reviewed the four different categories mandated benefits may refer to: 1) mandated insurer or plan coverage; 2) mandated scopes of practice; 3) mandated insurer or plan options; and 4) mandated offerings of coverage. The first mandate may refer to coverage of newborns and emergency services, the second optometrists and psychologists. However, Commissioner Flowers stressed that the third, which includes chemotherapy and mammography screenings, and the fourth, which includes mental illness and colorectal screenings, **do not** typically translate into care because of the sheer meanings of "option" and "offering."

In reviewing other states' health insurance initiatives, Commissioner Flowers noted some successes such as Michigan's efforts for multi-state Medicaid negotiations and for prescription rebates for Medicaid programs. She said TennCare is following a similar path as Michigan with regards to its pharmacy program, which should save

TennCare in the hundreds of millions of dollars. If such savings are realized, Commissioner Flowers noted the same system could possibly be applied commercially. Regarding colossal failures such as Kentucky's failed reforms to cap rates, resulting in more than 40 carriers leaving the market, she pointed out sweeping reform is not the answer and that change must take place on a much slower and cautious pace.

The **subcommittees** of the House Commerce Committee did not meet this week.

Conservation & Environment

Greg E. Adkins

Full Committee

The **full Conservation and Environment Committee** met on Tuesday, January 27, 2004 and considered one bill. The amended **HB 1479** by Rep. Fitzhugh authorizes the Tennessee Wildlife Resources Agency (TWRA) to raise hunting and fishing license fees administratively instead of raising fees by a legislative fee bill. The bill also authorizes TWRA to promulgate rules and regulations for the fees. The fees are prohibited from rising above the consumer price index from 1990. The bill also requires any fee increases to be reported to the legislature, and the Government Operations Committee must approve the fees. The amendments clarify that the fee increase only effects hunting and fishing licenses. Overall, the new fees will increase 30% representing a \$9 increase.

The subcommittees of Conservation and Environment did not meet this week.

Consumer & Employee Affairs

Shannon Romain

The **Consumer and Employee Affairs full committee** met on Wednesday morning. **HB 1941** (Rep. Newton), the sole bill on the calendar, was deferred for one week. Following the calendar, the committee received its annual report on the Consumer Affairs Division of the

Department of Commerce and Insurance from Mary Clement, the director of the division.

The **subcommittees** did not meet this week.

Education

Pam Mason

The **House Education Committee** heard two presentations at its Wednesday meeting. The Higher Education Commission, Tennessee Board of Regents, and the University of Tennessee system gave a brief update on the continuing funding need for capital projects. The Committee plans a more in depth presentation following the Governor's Budget address.

Teachers with the Tennessee Education Association next addressed the committee on a typical classroom day. Five teachers from across the state gave descriptions of their workday with emphasis on how much time is required of them for activities other than teaching.

Examples were given of required work that could be more efficiently completed if newer and



better equipment were available to schools. Additional requirements from the No Child Left Behind law, with minimum additional assistance, have also added to their workday but not to their instruction time. One teacher stated to the Committee that teachers "test more than teach."

There were no bills scheduled for consideration.

K-12 Subcommittee

No bills were scheduled for this meeting. The Subcommittee heard a presentation from Dr. Julia McCarger of the Department of Education. Dr. McCarger is the Executive Director for Federal Programs. She gave a short summary of the No Child Left Behind law and where our state is presently with the Federal requirements.

Higher Education Subcommittee

No bills were scheduled for the meeting. Chairman Brown had representatives of THEC and the Board of Regents make brief statements regarding their respective master plans.

Finance, Ways & Means

Denise Sims

There were two presentations made before **the full committee** on Tuesday afternoon. Richard Chapman, Director of the Insurance Division within the Department of Finance and Administration, spoke on the state's group insurance program. Mr. Chapman presented figures on state plan enrollment, payments per capita (State PPO, POS and HMO), pharmacy payments and other related information. Dale Sims, State Treasurer, made a report on TCRS investments and the system's management of assets. Copies of both the Group Insurance report and the Consolidated Retirement System's Investment report are available in the Finance Committee office.

Budget Subcommittee

There were five bills on the **Budget Subcommittee** calendar on Wednesday. The following four bills were rolled four weeks: HB 819 (Rep. Pinion) on drivers license application criteria, HB 1790 (Rep. Rowland) also on drivers license application criteria, HB 1567 (Rep. Fitzhugh) revising liability provisions of contractors under state contracts, and HB 2160 (Rep. McDaniel) exempting sales of motor vehicles to Tennessee National Guard members (on active federal duty during hostilities and entitled to combat compensation) from sales and use tax. HB1034 (Rep. Rinks) was taken off notice.

Government Operations

Kristina Ryan

The Government Operations Committee had no bills on notice and did not meet this week.

Health & Human Resources

Judy Narramore

Full Committee

On Tuesday, January 27, 2004, **Health & Human Resources Committee** members and staff toured the new Monroe Carell, Jr. Children's Hospital at Vanderbilt. The Children's Hospital is scheduled to begin admitting patients in mid-February 2004.

Health Care Facilities Subcommittee

The **Health Care Facilities Subcommittee** met at noon on Wednesday, January 28, to hear three presentations: Ron Taylor, representing nursing homes, James Vandiver, representing homes and services for the aging, and Rufus Jones, representing homes for the aged. Chairman Overbey distributed a handout prepared by the Department of Health that outlines facility-sprinkler system demographics of licensed health care facilities and ownership of non-sprinkler system nursing homes.

Mental Health, Public Health, and Professional Occupations Subcommittees

These subcommittees did not have bills on notice and did not meet.

Judiciary

Paige Edwards

The Judiciary Committee

The **Judiciary Committee** met on Wednesday to appoint members who will serve on two joint ad hoc committees. Chairman Fowlkes abolished the House Judiciary ad hoc committee that was formed last week to study HB 605 by Representative John DeBerry. Instead, a joint ad hoc committee on alcohol and citizen responsibility has been created. Representative Newton, Representative Cochran, Representative Dubois, Senator Haynes, Senator Norris, and Senator Trail will serve on this ad hoc committee. Senator Haynes will call the meeting. So far, HB 605 by Representative John DeBerry and HB 34 by Representative Turner (Davidson) are referred to the joint ad hoc committee on alcohol and citizen responsibility.

Also, Chairman Fowlkes appointed committee members to the joint ad hoc committee that will study legislation related to methamphetamines. Representative Johnson (Loudon), Representative Briley, Representative Coleman, Senator Jackson, Senator Cohen, and Senator Fowler will serve on this joint ad hoc committee. Senator Cohen will call the meeting.

After these announcements were made, the committee considered three bills. HB 779 by Representative Patton was rolled for two weeks. HB 1405 by Representative Davis was taken off notice. As noted, HB 34 by Representative Turner (Davidson) was referred to the joint ad hoc committee on alcohol and citizen responsibility.

Civil Practice Subcommittee

The **Civil Practice Subcommittee** met on Wednesday to consider four bills. HB 182 by Representative Turner (Davidson) and HB 761 by Representative Todd were rolled for one week. Representative Shaw presented two bills, HB 2200 and HB 2201, which were referred to the Judicial Council.

The other subcommittees of the House Judiciary Committee did not meet this week.

State & Local Government

Lawrence Hall, Jr.

State and Local Government's full committee did not meet this week

State Government Subcommittee

State Government Subcommittee moved two bills, HB 2156 and HB 2155, both by Rep. Newton, over to the Lottery Oversight Committee. HB 2156 removes the annual requirement to renew retailer contracts. HB 2155 clarifies that any person who has been convicted for any criminal offense involving gambling, theft, computer offenses, forgery, perjury, dishonesty or unlawfully selling or providing a product or substance to a minor is disqualified from being a lottery retailer.

The subcommittee also began the process of confirming the board members of the Tennessee Education Lottery Corporation. The members confirmed by the subcommittee were:

-Dennis C. Bottorff	-Morris H. Fair
-James L.E. Hill	-Marvell R. Mitchell

-James H. Ripley	-Deborah E. Story
-Claire Whitfield Tucker	

Local Government Subcommittee passed one bill to full committee this week, HB 844, by Rep. McCord. This bill allows municipalities to adjust and settle with taxpayers claims for refunds of municipal taxes in the same manner that counties are allowed to perform this function. Municipal officials will be responsible for performing the duties of adjusting and settling any claims.

Elections Subcommittee did not meet this week.

Transportation

Greg E. Adkins

The **full Transportation Committee** met on Wednesday, January 28, 2004 and rolled **HB 1838** by Rep. Bunch for one week. Lyle Key, a Vice President of CSX, updated the committee about railroad issues that Tennessee will face in the future. Topics of discussion included safety at railroad crossings, the difference between freight and passenger rail, and railroad infrastructure issues.

Public Transportation & Highway Subcommittee

The **Public Transportation & Highways Subcommittee** met on Wednesday, January 28, 2004 and considered four bills. **HB 2141** by Rep. Head was rolled two weeks. **HB 2142** by Rep. Head passed to the full committee; the bill authorized the Commissioner of TDOT to enter into an agreement with the U.S. Federal government concerning the right-of-way for U.S. 79. **HB 2159** by Rep. McDaniel passed to full committee; the bill authorized the "Lofton Eugene Gateley Memorial Highway" road sign. **HB 2157** by Rep. Newton was taken off notice. The bill would lower the educational requirement of the Chief Administrative Highway Officer in Polk County to only possess a high school diploma or GED. The current statutory requirement is that a person shall be a graduate of an accredited school of engineering, with at least two (2) years' experience in highway construction or maintenance or be licensed to practice engineering in Tennessee; or shall have had at least four (4) years' experience in a supervisory capacity in highway construction or maintenance.

The **Environment and Parks and Tourism Subcommittees** did not meet.